

EXHIBIT C

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH
CENTRAL DIVISION

JOHN BEAN TECHNOLOGIES CORPORATION,
a Delaware Corporation,

Plaintiff,

vs.

CASE NUMBER:
1:17-cv-00142-RJS

B GSE GROUP, LLC, a North Carolina
limited liability company, and
BRYAN BULLERDICK, an individual,

Defendants.

DEPOSITION OF

NICHOLAS HARRIS, CPA, CFA, CFE

March 26, 2019

Audra Smith, RPR, FCRR, Notary Number: 201329000033
449724



(310) 207-8000 Los Angeles
(310) 207-8000 Century City
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(951) 686-0606 Riverside
(212) 808-8500 New York City
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March 26, 2019

9:34 a.m.

Bell, Davis & Pitt

227 West Trade Street, Suite 1800

Charlotte, North Carolina

Reported by: Audra Smith, RPR, FCRR

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APPEARANCES OF COUNSEL

ON BEHALF OF THE PLAINTIFF:

DYKEMA GOSSETT, PLLC
BY: MICHAEL F. DERKSEN, ESQUIRE
400 Renaissance Center
Detroit, Michigan 48243
Phone: 313.568.6885
mderksen@dykema.com

ON BEHALF OF THE DEFENDANTS:

BELL, DAVIS & PITT, P.A.
BY: JOSHUA B. DURHAM, ESQUIRE
227 West Trade Street, Suite 1800
Charlotte, North Carolina 28202
Phone: 704.227.0400
jdurham@belldavispitt.com

* * * * *

Page 6

1 PROCEEDINGS
 2 NICHOLAS HARRIS, CPA, CFA, CFE,
 3 having been first duly sworn, was examined and testified
 4 before me as follows:
 5 EXAMINATION
 6 BY MR. DERKSEN:
 7 Q. Hi, Mr. Harris, my name is Mike Derksen.
 8 As I stated earlier -- actually, maybe I didn't
 9 state earlier, but I think as you know, I'm
 10 representing the plaintiff John Bean Technologies
 11 Corporation in this case against B GSE Group, LLC
 12 and Bryan Bullerdick. I'll probably refer to my
 13 client as JBT. Probably refer to Bryan Bullerdick
 14 as Mr. Bullerdick and refer to B GSE Group, LLC as
 15 B GSE. Does that sound okay to you?
 16 A. Yes.
 17 Q. I think I know the answer to this
 18 question, but have you been deposed before?
 19 A. I have not.
 20 Q. Okay. Great. We'll go over just a few
 21 rules. As you know, your testimony is under oath,
 22 just as if you were in a court of law. And these
 23 are pretty simple rules, but hard to follow,
 24 generally speaking, and so I ask that you let me
 25 finish my question before you start to answer, so

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1 it's clearer on the record. And I in turn will do
 2 my best to let you finish your answer before I ask
 3 another question.
 4 Now, it's important that -- I often ask
 5 bad questions, so if I ask a question and you
 6 don't understand what I'm asking, feel free to ask
 7 me for clarification or to restate it or rephrase
 8 or whatever. But on the other hand, if you do
 9 answer my question, I'll assume that you
 10 understood it. Does that sound okay?
 11 A. Yes.
 12 Q. Okay. If you get tired, just need to
 13 take a break for whatever reason -- I don't need
 14 to know why -- just let me know. And I just ask
 15 that you don't ask for a break when a question is
 16 pending. And I think those are pretty much the
 17 ground rules.
 18 So I want to mark the first exhibit,
 19 which I think should be 311.
 20 MR. DURHAM: I meant to check. It
 21 probably sounds right.
 22 MR. DERKSEN: I checked. I'm pretty
 23 confident, which means -- I'm going to hand
 24 this to the -- which is 311 -- I'm sorry.
 25 Take a look at it.

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1 ([Exhibit Number 311](#) was marked.)
 2 BY MR. DERKSEN:
 3 Q. Mr. Harris, have you seen this document
 4 before?
 5 A. Yes.
 6 Q. Can you let me know what you understand
 7 it to be?
 8 A. This is the subpoena that was sent to
 9 Bell Davis & Pitt for me to produce documents that
 10 are with requested in the rider.
 11 Q. And also to appear here today; is that
 12 correct?
 13 A. Yes.
 14 Q. Sure. Okay. Are there any documents
 15 responsive to that request that you are going to
 16 be producing today, or not?
 17 A. No.
 18 Q. We might as well get this marked because
 19 we're going to be referring to it a lot, as you
 20 might imagine. It's your report. It's previously
 21 been marked as Exhibit 310. Once you receive it,
 22 I'd like you to just kind of take a look and
 23 confirm, the best you can, it is indeed your
 24 report.
 25 ([Exhibit Number 312](#) was marked.)

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1 A. This is my report.
 2 BY MR. DERKSEN:
 3 Q. Okay. Great. I just want to get into
 4 some background info. This is based on
 5 information listed in Appendix A, so feel free to
 6 reference it, if you'd like. But have you ever
 7 opined on damages under a Lanham Act claim before?
 8 A. I don't know if it was a Lanham Act claim
 9 specifically, but I've opined on lost profits and
 10 related damages.
 11 Q. In which -- in which case?
 12 A. I was Y2 Yoga Cotswold versus BR King
 13 Construction.
 14 Q. Right. Okay. And that was a -- I'm
 15 assuming by the name of the title it was a
 16 construction dispute?
 17 A. Yes and no. It was related to a
 18 construction project, but it was -- it was lost
 19 profits related to loss of use.
 20 Q. Okay. And so it's -- I see it's listed
 21 under Trial Court and Deposition Testimony. Did
 22 you testify in the trial in the Y2 Yoga case?
 23 A. Yes.
 24 Q. And who were you representing in that
 25 case?

Page 22

1 A. No.
 2 Q. Are you familiar with Mr. Lester?
 3 A. Yes.
 4 Q. Did you speak with the defendants'
 5 bookkeeper?
 6 A. No.
 7 Q. And it's also fair you didn't speak to
 8 the defendants' accountant?
 9 A. That's right. To the extent one exists,
 10 I'm not even aware.
 11 Q. Fair. Now, in a number of instances in
 12 your report, the factual assertions that you make
 13 are in reliance on your discussions with
 14 Mr. Bullerdick; is that fair to say?
 15 A. Could you repeat that? I just want to
 16 make sure I understand.
 17 Q. Yeah. Now in the number of instances in
 18 your report, the factual assertions that you make
 19 are based on your discussions with Mr. Bullerdick;
 20 is that fair to say?
 21 A. I relied on Mr. Bullerdick's --
 22 information provided by Mr. Bullerdick for some
 23 portion of my analysis, yes, and I've cited that
 24 in my report.
 25 Q. Okay. Do you know if it's common

Page 23

1 practice to rely on statements received from a
 2 client in preparing a damages report?
 3 A. It is common practice.
 4 Q. Okay. Did you take any notes relating to
 5 your conversation with Mr. Bullerdick?
 6 A. I did.
 7 Q. Okay. And did you produce them?
 8 A. They have not been produced.
 9 Q. Okay. Do you know why they haven't been
 10 produced?
 11 A. I believe they were requested.
 12 Q. Okay. Did you not rely on them in
 13 preparing your report, your notes?
 14 A. I relied on -- I -- no, I would say I'm
 15 relying on Mr. Bullerdick's -- the discussion with
 16 Mr. Bullerdick.
 17 Q. I just want to go back to the first
 18 exhibit we marked today. Did you review your
 19 notes in developing or preparing your opinions in
 20 the report?
 21 A. I'm not sure that I did.
 22 Q. But you can't say either way?
 23 A. I was writing my report at the same time
 24 that I was -- that I had the discussion with
 25 Mr. Bullerdick, so I would have ended that

Page 24

1 conversation and immediately gone to my report to
 2 put most of those notes directly in my report.
 3 Q. Okay. Is there a -- I'm not talking
 4 about a draft report, but is there a separate
 5 document where you have the notes?
 6 A. Yes.
 7 Q. Okay.
 8 MR. DERKSEN: Counsel, I think we'd
 9 requested they be produced. We can talk about
 10 it later.
 11 MR. DURHAM: We can talk about it later.
 12 MR. DERKSEN: Yeah. I don't want to
 13 argue about it right now, or anything like
 14 that.
 15 BY MR. DERKSEN:
 16 Q. Okay. Let's go to your report, which was
 17 approvals marked as Exhibit 310. Did you re-mark
 18 it?
 19 THE COURT REPORTER: Yes, I did. It's
 20 312.
 21 MR. DERKSEN: 312, okay.
 22 BY MR. DERKSEN:
 23 Q. If you could turn to page 4. You
 24 reference right at the top that Mr. Duski
 25 indicates that: Defendants must prove all

Page 25

1 elements of cost or deduction.
 2 Do you see that?
 3 A. Yes.
 4 Q. Do you agree with that statement?
 5 A. That defendants must prove all elements
 6 of costs or deduction?
 7 Q. Yeah. Let me rephrase that. Would you
 8 agree that it is defendants' burden to prove the
 9 costs or deductions that should be made from
 10 Mr. Duski's calculation of damages in this case?
 11 A. That's a legal opinion that I'm not
 12 prepared to provide, I'm not providing.
 13 Q. So you don't know one way or the other
 14 whether or not it's defendants' burden?
 15 A. I think that's a question of law that is
 16 beyond my scope of work.
 17 Q. Okay. Based -- I'm not asking as a
 18 lawyer, I'm just saying as a layman, do you have
 19 any understanding as to whether or not it is
 20 defendants' burden?
 21 A. It's my understanding in some instances
 22 that may be the case. It depends on the venue,
 23 the jurisdiction. Legal matters are beyond my
 24 expertise.
 25 Q. Okay.

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1 A. So whether that applies in this case, I
 2 think is probably not determined as far as I'm
 3 concerned.
 4 Q. Okay. So just to close that out -- so in
 5 this case, you're not sure whether or not it's
 6 defendants' burden to prove all elements of costs
 7 or deductions; is that fair?
 8 A. These are some pretty broad terms, and I
 9 don't know that I can say that one way or the
 10 other. I mean, elements of cost or deduction is a
 11 very, very broad term, and there may be elements
 12 of cost or deduction as described by one person
 13 that are not elements of cost or deduction as
 14 described by another person. So I don't know that
 15 I can really answer the question the way you're
 16 presenting it to me.
 17 Q. Okay. But throughout your report, you
 18 then go on to -- at least in some instances -- try
 19 to prove some elements of costs or deductions; is
 20 that accurate?
 21 A. I've identified some elements of cost or
 22 deduction, by my definition.
 23 Q. Okay. And what's your definition?
 24 A. I think it has to be looked at on a
 25 case-by-case basis. Like I said, that's a very

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1 broad term. I don't know that I can define it for
 2 you. And it's not -- I mean, that comes from a
 3 statute. I think that's subject to a legal
 4 interpretation.
 5 Q. Okay. If you look at the third paragraph
 6 on the bottom, that starts with Table 1. In the
 7 second sentence it says: As Table 1 shows, some
 8 of these items could not be quantified at this
 9 time.
 10 What items are you referring to?
 11 A. Specifically in Table 1, if you look at
 12 Table 1, there are a couple of lines that I've --
 13 where I've filled in TBD for "to be determined."
 14 Those two lines in this table are
 15 actual/additional incremental costs, and profit
 16 not earned or received by B GSE.
 17 Q. Okay.
 18 A. There may be additional elements or items
 19 that could not be quantified at this time.
 20 Q. Why were you unable to quantify those?
 21 A. For the actual/additional incremental
 22 cost, there are, I guess, a couple reasons. The
 23 first is that some of the projects in question are
 24 not yet complete, so actual costs can't be
 25 determined with 100 percent certainty at this

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1 time.
 2 There may be additional incremental costs
 3 that Mr. Duski did not include in his analysis. I
 4 cited some examples in my report. One that comes
 5 to mind is hurricane-related impacts that would
 6 not have been factored into an estimate prepared
 7 prior to even the start of work on that project.
 8 And there may be other things, like time spent on
 9 estimating, or items that are just not listed in
 10 those estimates prepared that Mr. Duski relied
 11 upon that should be included in this analysis.
 12 Q. Okay. And did you ask for the material
 13 that you would need to quantify those figures that
 14 you could quantify?
 15 A. I did. And I also asked whether JBT or
 16 Mr. Duski or JBT's counsel had requested that
 17 information. And again, Mr. Duski's report is
 18 dated after the close of discovery, so there's a
 19 question as to whether those documents could now
 20 come in.
 21 Q. So is it fair to say that there are
 22 documents out there that would have helped you
 23 quantify these items, but you just didn't receive
 24 them?
 25 A. Yes.

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1 MR. DURHAM: Objection.
 2 BY MR. DERKSEN:
 3 Q. If you could turn to page 12 of your
 4 report, please. Now, in the second box, the first
 5 full paragraph, you state: Mr. Duski's
 6 calculation of JBT's alleged damages for trade
 7 secret misappropriation and unfair competition
 8 should be reduced by approximately \$200,000 and
 9 \$1.1 million, respectively.
 10 Do you see that?
 11 A. Yes.
 12 Q. Okay. Is it fair to say this assumes
 13 that B GSE would have been awarded all eight of
 14 the projects discussed in your report irrespective
 15 of its wrongful acts?
 16 A. I don't -- I don't know if I agree with
 17 that.
 18 Q. What don't you agree with?
 19 A. If B GSE would not have been awarded the
 20 eight projects, setting aside the alleged wrongful
 21 acts, then it seems possible, likely -- I don't
 22 know what degree -- that JBT would not have
 23 performed any work or supplied any materials for
 24 those projects. And so lost profits, for example,
 25 would not exist.

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1 instance, that the bid documents the defendants
 2 submitted contained JBT's information, trade
 3 secrets, and specifications at a time that Twist
 4 did not have a compliant PCAir product?
 5 **A. The bid documents or the submittal**
 6 **documents?**
 7 Q. Submittal documents.
 8 **A. I'm aware of that allegation related to**
 9 **the submittal documents.**
 10 Q. Okay. In formulating your opinion, did
 11 you assume that allegation to be true or not?
 12 **A. It depends on which -- I mean, yes. So I**
 13 **have assumed that B GSE is found liable for the**
 14 **causes of action that Mr. Duski is pointing to in**
 15 **his analysis.**
 16 Q. Just as Mr. Duski did?
 17 **A. Correct.**
 18 Q. Okay. Great. I want to go to page 13 of
 19 your report.
 20 **A. Okay.**
 21 Q. So in the first paragraph below the table
 22 you say: However, I understand from discussions
 23 with Mr. Bullerdick that all of the documents
 24 listed in Table 2 above are estimates prepared
 25 prior to the start of work.

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1 Did I read that correctly?
 2 **A. Yes.**
 3 Q. And you say you understand it based on
 4 discussions with Mr. Bullerdick. Is there any
 5 other basis for that understanding?
 6 **A. I believe some of these documents are**
 7 **dated prior to even the bid submission or when**
 8 **work could have started. So that's additional**
 9 **basis for that statement.**
 10 Q. So I think the -- the word I want to
 11 focus on is "all." So you say "all the documents
 12 listed."
 13 **A. That is a statement that Mr. Bullerdick**
 14 **made to me, that all of the these alleged profit**
 15 **and loss statements were estimates and don't**
 16 **reflect actual costs or revenue.**
 17 Q. And it's also your understanding from
 18 Mr. Bullerdick that all the documents were
 19 prepared prior to the start of work on each
 20 project; is that correct?
 21 **A. Yes. That's my understanding from**
 22 **Mr. Bullerdick.**
 23 Q. And again, do you have any -- aside from
 24 your discussion with Mr. Bullerdick, do you
 25 have -- is there any basis for your statement that

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1 all of the documents were prepared prior to the
 2 start of work?
 3 **A. I have not gone through and analyzed the**
 4 **date of all of these documents and when work**
 5 **started.**
 6 Q. Okay. So for instance, do you know --
 7 turning back to page 12. Do you know when work
 8 started on Lemoore P-328?
 9 **A. Not as I sit here right now. I'd have to**
 10 **go back to the documents produced or in**
 11 **Mr. Duski's report.**
 12 Q. Okay. You think you could figure that
 13 out based on -- or strike that.
 14 Do you think that's something that you
 15 were aware of but you just can't recall today?
 16 **A. Like I said, I didn't do that analysis.**
 17 **I certainly looked at the timing for certain**
 18 **projects just to see if that -- if these, what I**
 19 **call project estimates, could have been revised or**
 20 **updated or edited after the completion of work,**
 21 **and do recall seeing that the dates associated**
 22 **with some of these documents preceded other dates**
 23 **provided by Mr. Duski in his report that would**
 24 **have logically preceded the start of work, like**
 25 **the date when the submittal package was submitted**

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1 **or when RFPs were issued or bids were prepared, or**
 2 **quotes were prepared, purchase orders were**
 3 **prepared.**
 4 Q. Does that apply to all eight projects,
 5 your previous statement?
 6 **A. No. Like I said, I did not do that for**
 7 **every project.**
 8 Q. Okay. So I won't waste anybody's time.
 9 But if we were to go through each project and I
 10 ask you the date work started or the date that it
 11 was completed, just as you sit here today, is it
 12 fair to say you wouldn't be able to provide me an
 13 answer?
 14 **A. I wouldn't. And I don't know -- look, I**
 15 **said that I relied on Mr. Bullerdick for that, and**
 16 **I did. He is the person I would expect to know**
 17 **that answer. And if I went through -- even if I**
 18 **went through and compared the date of these**
 19 **documents to other milestones in the bidding or**
 20 **estimating or construction process, I don't know**
 21 **if that was just a date when that document was**
 22 **saved again or moved from one location to another.**
 23 **I don't think that is as valuable an analysis as**
 24 **asking Mr. Bullerdick if these reflect final**
 25 **numbers.**

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1 **MR. DURHAM:** Your guy said "Kadenia," so
 2 that's what threw me.
 3 **MR. DERKSEN:** Yeah. We'll get -- I'm not
 4 on videotape, so --
 5 (Simultaneous crosstalk.)
 6 **MR. DERKSEN:** Next we're going to mark
 7 the P&L that Mr. Duski relied on for this
 8 Kadena P-803.
 9 ([Exhibit Number 318](#) was marked.)
 10 **BY MR. DERKSEN:**
 11 Q. You know what, I don't have any questions
 12 on that one. I don't know if we want -- it's fine
 13 to have it marked, but I don't have any questions
 14 on that document.
 15 **A. That's fine with me.**
 16 Q. Yeah. As I said, I was going to try to
 17 short-circuit some of my questions, and I think we
 18 have.
 19 We're going to skip ahead and talk about
 20 Beaufort P-464. If you can go to page 13 of your
 21 report. You actually made a passing reference to
 22 this earlier. But your report states that you
 23 were informed -- and this is in the last sentence
 24 on page 13. Your report says that this project
 25 was disrupted by a hurricane.

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1 Do you see that?
 2 **A. Yes.**
 3 Q. And it says, you know, I understand --
 4 I'm sorry. It says you obtained that
 5 understanding from Mr. Bullerdick. Do you see
 6 that?
 7 **A. Yes.**
 8 Q. Okay. And I assume you obtained that
 9 information during your telephone call?
 10 **A. Yes.**
 11 Q. Okay. Do you know what hurricane it was?
 12 **A. I don't.**
 13 Q. Okay. Do you know the year that
 14 hurricane took place?
 15 **A. I don't.**
 16 Q. What did Mr. Bullerdick say to you about
 17 the hurricane? Did he just generally say --
 18 **A. It was in the context of discussing the**
 19 **project estimates or, as Mr. Duski calls them, the**
 20 **P&Ls. He used that as an example in the context**
 21 **of saying there are additional costs that are not**
 22 **reflected on these.**
 23 Q. Okay. Is it fair to say that this
 24 hurricane was before September of 2017?
 25 **A. I would -- I don't know, actually. I**

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1 **don't know.**
 2 Q. Okay. The reason I ask that is because
 3 the -- this document, I'm representing to you, was
 4 attached to an email dated September 23 of 2017.
 5 **A. Which document?**
 6 Q. The P&L. I'm sorry. The P&L we're
 7 discussing that Mr. Duski relied on.
 8 **A. Okay.**
 9 Q. And then I want you to turn to -- please
 10 turn to page 14. I was looking for the word, and
 11 it's the first sentence.
 12 So if you look back at 13, again, the
 13 last sentence on 13, it's about the hurricane.
 14 And the first sentence on page 14 says that caused
 15 actual costs to exceed estimates.
 16 Did I read that correctly?
 17 **A. Yes.**
 18 Q. Okay. And again, we're talking about
 19 Beaufort P-464, right?
 20 **A. Yes.**
 21 Q. By how much?
 22 **A. I don't know.**
 23 Q. Did you ask Mr. Bullerdick how much?
 24 **A. No. I wouldn't have expected him to know**
 25 **the exact number just over the phone.**

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1 Q. Did you ask for any documents to support
 2 his statement that the hurricane costs -- costs to
 3 exceed estimates?
 4 **A. Yes. I requested actual profit and loss**
 5 **statements or actual cost records for all of the**
 6 **projects, as I've said many times already.**
 7 Q. Sure.
 8 **A. I would have expected that those costs**
 9 **related to the hurricane would be included in**
 10 **that.**
 11 Q. Okay. So did he provide any elaboration
 12 or did he just simply say, "Hey, there was this
 13 hurricane, and that caused actual costs to exceed
 14 estimates," just basically?
 15 **A. That's it, yeah.**
 16 Q. So is it fair to say that the only
 17 support you have for that statement is what
 18 Mr. Bullerdick told you?
 19 **A. Yes.**
 20 Q. Okay. Also on page 14, it states that,
 21 the 270 VDC/400 hertz combo units were not
 22 provided by B GSE. Do you see that? It's in the
 23 paragraph starts with "Third."
 24 **A. Could you repeat that --**
 25 Q. Absolutely.

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1 **A. -- phrase or sentence that you're**
 2 **referring to.**
 3 Q. Yeah. So if you look on page 14, do you
 4 see the paragraph that starts with "Third"?
 5 **A. Yes.**
 6 Q. And then in the second paragraph -- or
 7 the second sentence you say: For example, while
 8 Mr. Duski's calculation of B GSE's alleged unjust
 9 enrichment includes profit on 270 VDC/400 hertz
 10 combination units for the Beaufort P-464 project,
 11 I understand from Mr. Bullerdick that B GSE never
 12 provided those units for that project.
 13 Do you see that?
 14 **A. Yes.**
 15 Q. And aside from the final P&L that you
 16 asked for on this project, did you ask for any
 17 other documents to support that?
 18 **A. No. Again, I would expect a final P&L**
 19 **would include that information.**
 20 Q. So it's fair to conclude that the
 21 basis -- the only basis for that statement is what
 22 Mr. Bullerdick told you?
 23 **A. Yes.**
 24 Q. Stay on page 14 of your report. I think
 25 that's where we were, the second paragraph that

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1 says Second, do you see where it says: Many costs
 2 are not reflected in the project estimates at all?
 3 **A. Yes.**
 4 Q. It says: Examples may include warranty
 5 coverage work and significant time dedicated to
 6 preparing bids and submittals.
 7 Do you see that as well?
 8 **A. Yes.**
 9 Q. But you've not seen necessary B GSE
 10 accounting records to calculate?
 11 **A. No.**
 12 Q. And you haven't seen those records for
 13 the reasons we discussed earlier?
 14 **A. Yes.**
 15 Q. I may have asked this already, but did
 16 Mr. Bullerdick tell you if any of the P&Ls for any
 17 of the projects had been finalized when you spoke
 18 to him?
 19 **A. I don't recall.**
 20 Q. I'm going to turn to page 15 of your
 21 report. We discussed this earlier. At the top
 22 you state: I understand some of the projects are
 23 not yet complete.
 24 Do you see that?
 25 **A. Yes.**

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1 Q. And that's based on your -- per your
 2 report in Footnote 64, that's based on your
 3 discussion with Mr. Bullerdick?
 4 **A. Yes.**
 5 Q. And I believe you testified earlier,
 6 you're not aware of which projects are not --
 7 **A. Correct, I'm not aware.**
 8 Q. Okay. Do you know if you ever were
 9 aware?
 10 **A. I don't know. Mr. Bullerdick may have**
 11 **cited specific projects, but --**
 12 Q. Okay.
 13 **A. -- it was more in the context of the,**
 14 **quote/unquote, P&Ls are not final. You know,**
 15 **just -- for example, some of the projects aren't**
 16 **even done.**
 17 Q. Now, you then say: As such, a corporate
 18 accounting of B GSE's incremental costs cannot be
 19 determined at this time. However, it is possible
 20 and likely that such an accounting would further
 21 reduce JBT's alleged damages.
 22 Did I read that correctly?
 23 **A. Yeah. I think you said "corporate**
 24 **accounting." It says "complete accounting," but**
 25 **otherwise it's correct.**

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1 Q. Thanks for the clarification. Again, I'm
 2 note an English major like Josh, so I have an
 3 excuse.
 4 What is the basis for assuming that it's
 5 likely that such an accounting would further
 6 reduce JBT's alleged damages?
 7 **A. Everything that I state in that section**
 8 **of my report prior to that statement that there**
 9 **are costs not included in the project estimates,**
 10 **such as a hurricane, that, you know, these are**
 11 **estimates based on my discussion with**
 12 **Mr. Bullerdick; they reflect a best-case scenario;**
 13 **and that actual costs, in their experience,**
 14 **B GSE's experience, typically will exceed**
 15 **estimates.**
 16 Q. Okay. So I want to go back to what you
 17 just said. You said that based on your discussion
 18 with Mr. Bullerdick, they reflect a best-case
 19 scenario.
 20 Can you elaborate on what Mr. Bullerdick
 21 said with regard to a best-case scenario?
 22 **A. Yeah. He said something along the lines**
 23 **of: We target a certain profit margin -- gross**
 24 **profit margin, I should say -- and in actuality,**
 25 **gross profit margins are lower than that.**